



ISOTEAM LTD.

FYE 30 JUNE 2024 (FY2024)
CORPORATE PRESENTATION



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01 BUSINESS OVERVIEW

Overview



About Us

Established in 1998 in Singapore, we are a leading R&R, A&A and complementary niche specialist services provider for the built environment with a reputation for eco-conscious solutions

Key Strengths

- 25+ year track record
- One-stop provider with multi-disciplinary capabilities
- Established stakeholder relationships
- Experienced and professional management team
- Industry-recognised safety and management systems
- Broad and growing range of services
- Early mover in green solutions
- Leading brand focused on growth and innovative solutions



Multi-Disciplinary Capabilities



Life Cycle
Maintenance Solutions
(R&R)



Property and Estate
Enhancement Solutions
(A&A + C&P)



Value Engineering
(Project management +
Buildability advice)



Integrated Facilities
Maintenance Solutions
(Landscaping + Handyman
+ Vector control)

Sustainable solutions for a better built environment



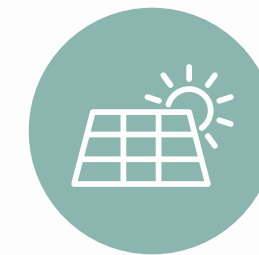
Energy Management
Solutions
(Energy storage and
control solutions)



Asset Enhancement
(Architecture + Interior
Design + Fit-out +
Engineering)

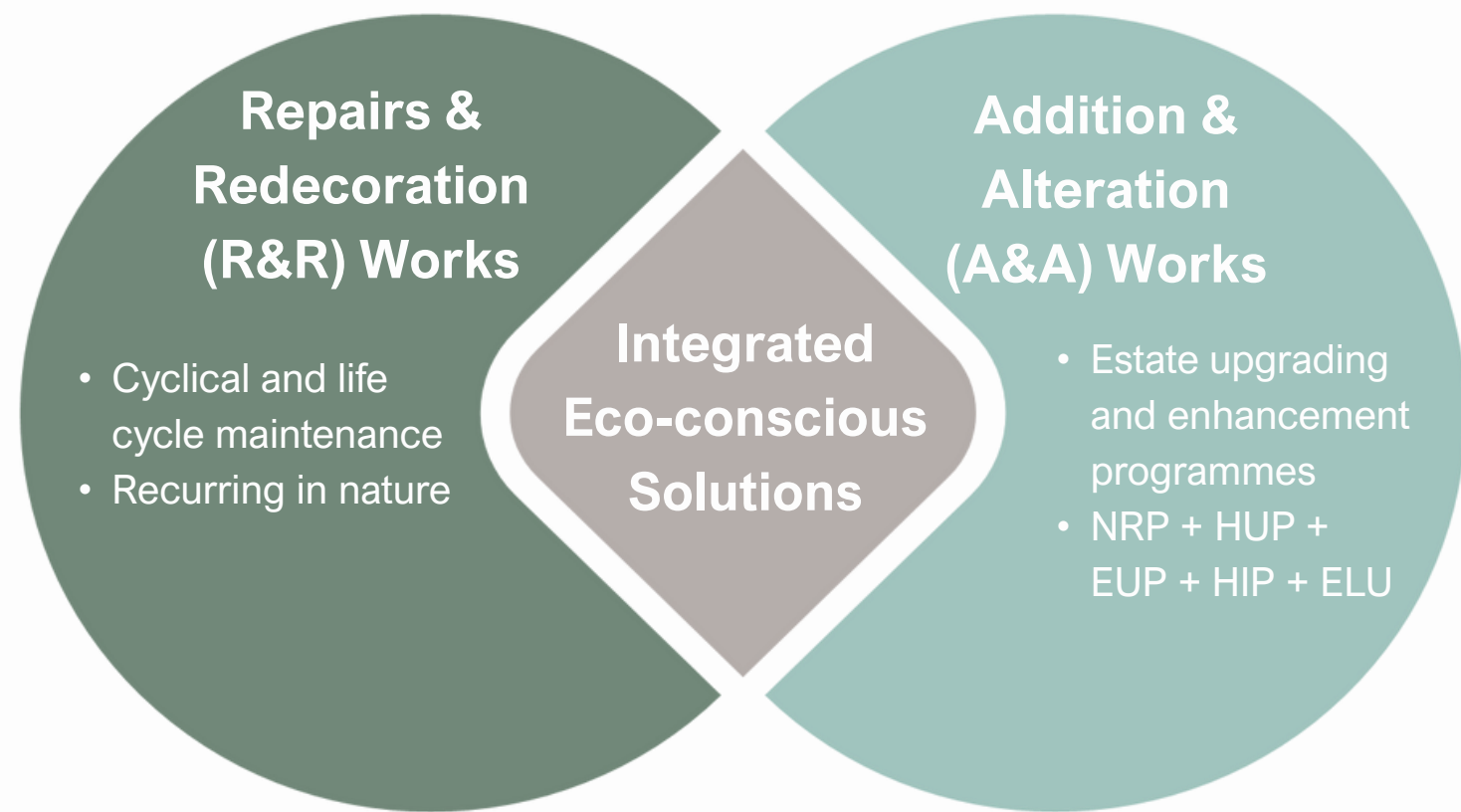


Environmental
Sustainability Solutions
(Eco-friendly products)



Renewable Solutions (RS)
(Rooftop / floating
solar systems)

Core Focus: R&R and A&A

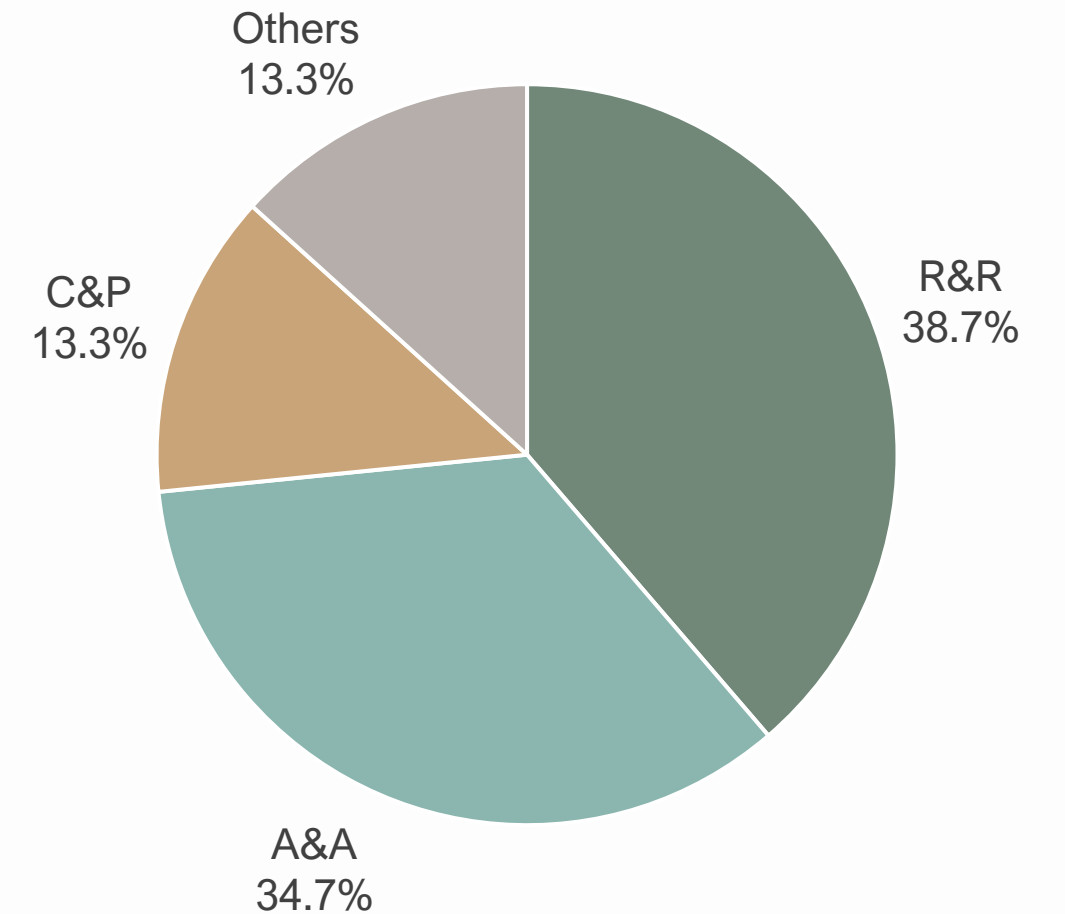


Across public and private sectors

> 860 projects

> 7,200 buildings

FY2024 Revenue Mix



Corporate Structure

Raymond Construction Pte. Ltd. (A&A, R&R, M&E services and air-conditioning services)	100%
ISO-Team Corporation Pte. Ltd. (A&A and R&R)	100%
TMS Alliances Pte. Ltd. (R&R)	100%
ISO-Landscape Pte. Ltd. (Landscaping and horticulture services)	100%
ISOteam Homecare Pte. Ltd. (Handyman services)	100%
ISOteam C&P Pte. Ltd. (Specialist coating and painting)	100%
Green Pest Management Pte. Ltd. (Pest control services)	100%
ISOteam Renewable Solutions Pte. Ltd. (Solar panels installation and mixed construction activities)	100%
ISOteam AET Pte. Ltd. (A&A and commercial interior design)	100%
ISOteam BuildTech Pte. Ltd. (AI-enabled solutions for the built environment)	100%
Zara@ISOteam Pte. Ltd. (Interior decoration and retrofitting works)	51%





02 BUSINESS HIGHLIGHTS

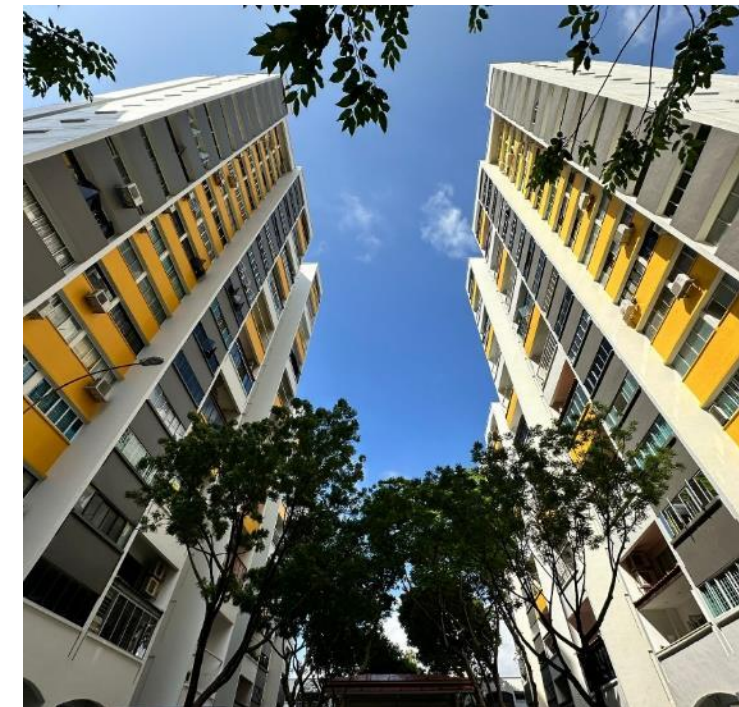
Project Gallery



R&R to 6 HDB blocks at Dawson Road



R&R and improvement works to 10 HDB blocks at Chai Chee Road and Sims



R&R and Cool Coating to 39 blocks in Tampines West and Central divisions



R
&
R

A
&
A



Neighbourhood Renewal at Ang Mo Kio Ave 7

Project Gallery

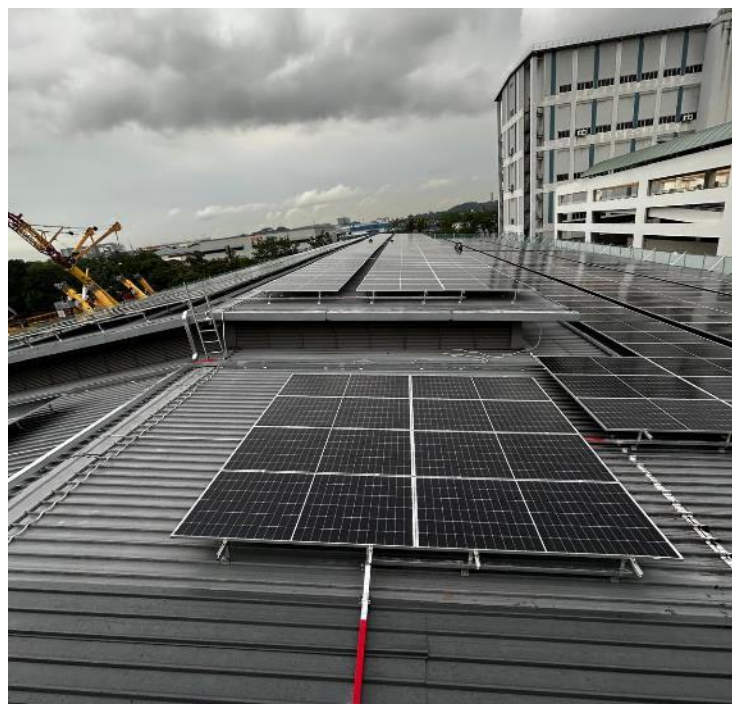
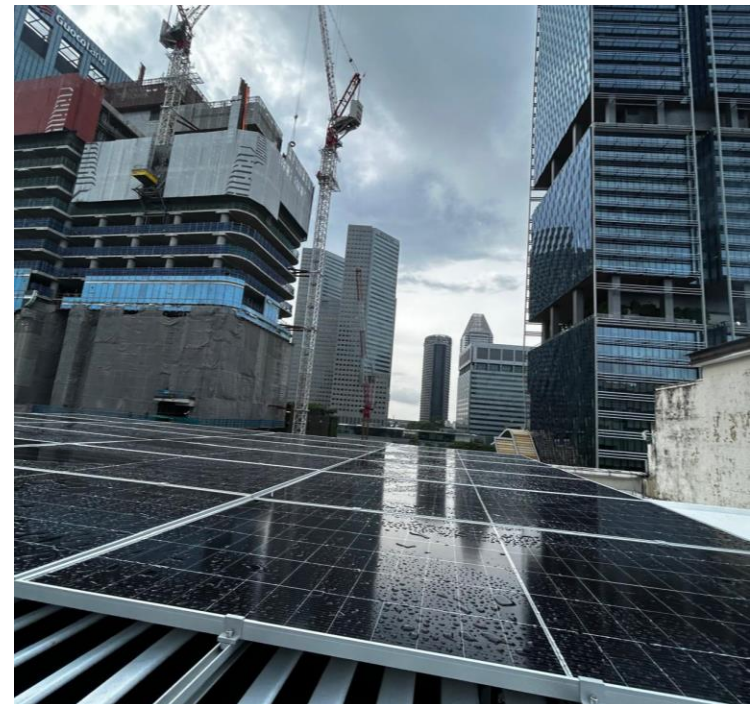


Special coating and painting works at Parc Oasis, Sengkang Grand, Pearl Bank and Hotel Club Street



C
&
P

Renewable
Solutions



Solar panel installation at: Beach Road, Changi Road, Soon Lee Road and 12 Chin Bee Drive

Project Gallery



Ang Mo Kio Ave 7



Landscaping

Interior Design



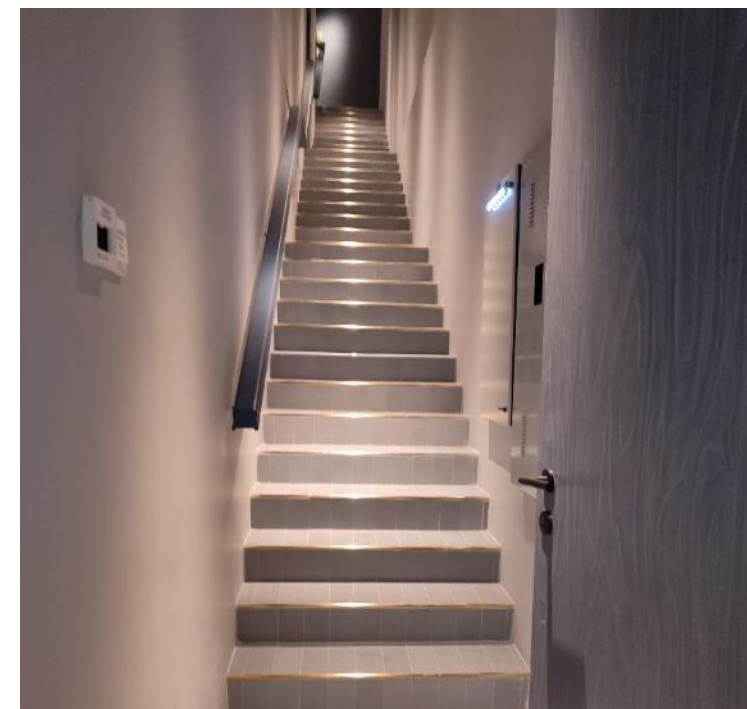
Corporate Office (ST Engineering)



Restaurant (Mandarin Oriental)



Conservation Home (Stanley Street)



Corporate Developments

1

April 2024

S\$24.0 mil in New Projects

17 new projects:

- 1 RS project: ~S\$3.5m
- 3 R&R projects: ~S\$8.2m
- 10 C&P projects: ~S\$6.0m
- 2 Landscaping projects: ~S\$5.0m

2

May 2024

Proposed Capital Reduction Exercise

Intends to seek shareholders' approval for proposed capital reduction exercise to reduce existing share capital by writing off accumulated losses. This will more accurately reflect the Group's underlying assets and facilitate future fundraising activities.

3

June 2024

S\$21.4 mil in New Projects

6 new projects including 2 RS that are the largest secured to-date:

- 2 RS projects: ~S\$12.9m
- 3 A&A projects: ~S\$6.9m
- 1 C&P project: ~S\$0.2m
- 1 Landscaping project: ~S\$1.4m

4

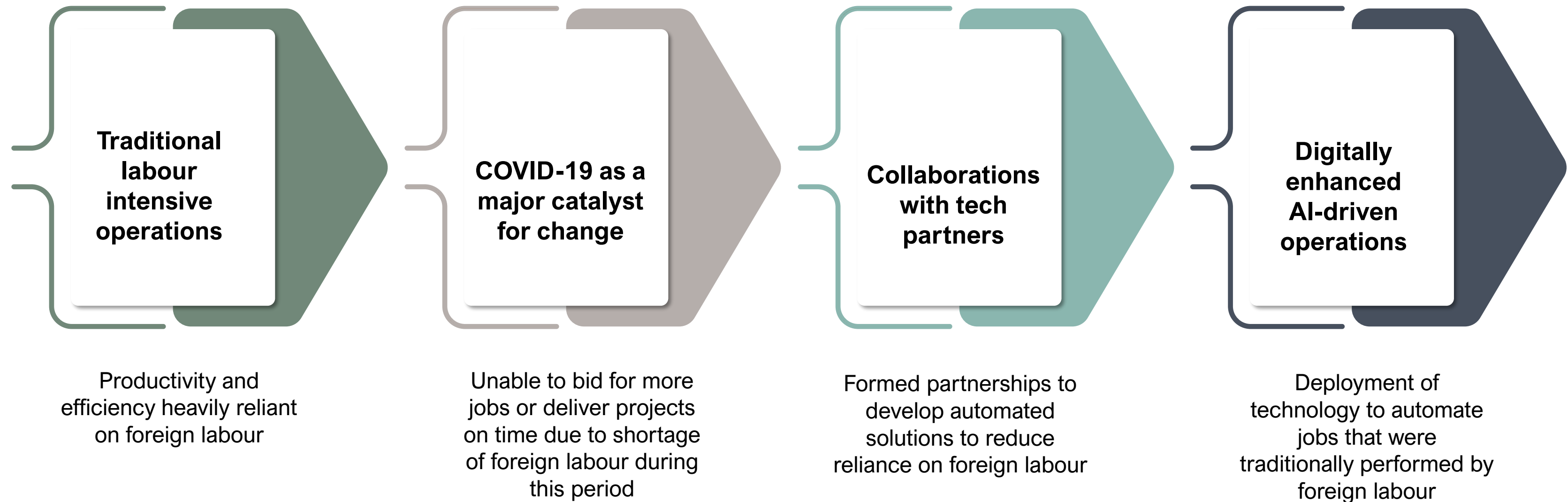
July 2024

ISO Team BuildTech

Incorporated to design, develop and implement AI-driven, autonomous robotics solutions for the built environment

A Transformation Journey

Integrating Mechanisation and Automation across our Multi-disciplinary Capabilities





Strategies for a Sustainable Future

Key Challenges

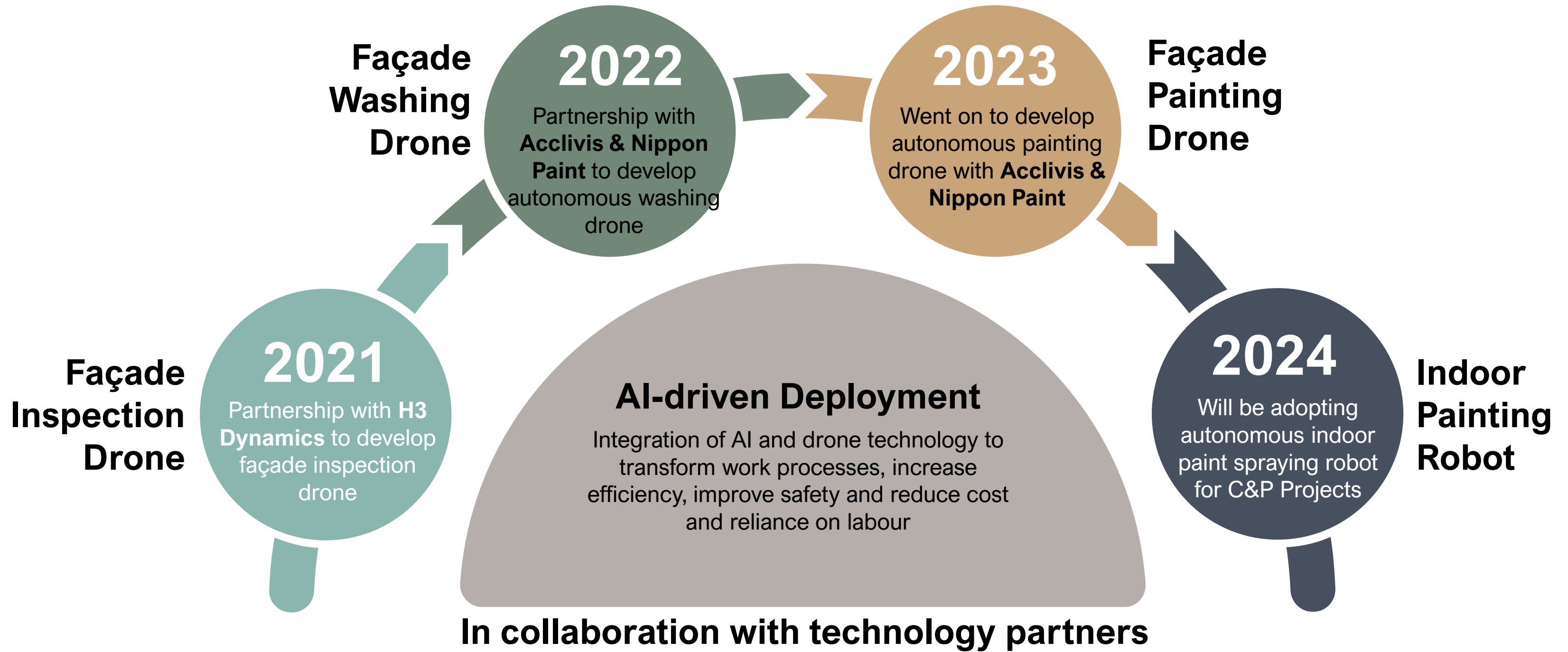
- Over reliance on labour
- Evolving MOM regulations – quota reduced from 7 to 5 in Jan 2024
- Cost inflation including working housing and levies
- Raw material supply chain disruptions
- Work disruption from additional safety and compliance measures

Increased Automation

- Mechanisation and digitalisation to improve productivity and reduce labour reliance
- Early mover in renewable energy installation and environmental solutions
- Integration of drone technology and AI to transform work processes
- Potential for partnerships in AI-driven Building Information Modelling and Integrated Facilities Management

Desired Outcomes

- Reduced workforce / lean headcount
- Harness and pool resources through digitalisation
- Enhanced delivery and cost management
- Improved operational and financial performance
- Increased health and safety of workforce



Introducing our New AI-Driven “Workforce”



Investor Outreach Meetings

- **August 2023**
 - FY2023 Results Briefing
- **October 2023**
 - Annual General Meeting
- **February 2024**
 - 1H FY2024 Results Briefing
- **April 2024**
 - Phillip Securities Research Corporate Insights (Virtual)
 - Maybank Securities
- **May 2024**
 - RHB Research Regional Spotlight (Virtual)
 - CGS International Securities Singapore (Virtual)
- **July 2024**
 - Lim & Tan Securities (Virtual)
 - Shareinvestor SG Gems Company Spotlight (Virtual)
 - ISOTeam Investor Day
- **August 2024**
 - FY2024 Results Briefing

Washing drone demo, 1 July 2024
Tanjong Pagar Town Council



ISOTeam BuildTech Launch,
3 July 2024

Recent Happenings



03 FINANCIAL HIGHLIGHTS

Salient Highlights



Full Recovery

1. Highest revenue since FY2019 (\$136.6 million), which was the highest on record
2. Gross profit margin returns to healthy pre-pandemic levels
3. Proposes dividend of 0.08 Singapore cent per share
4. Significant improvement in financial ratios

Revenue
\$130.2M
+18% yoy

Gross margin
15.5%
+5.5 pts yoy

NPAT*
\$6.5M
+364% yoy

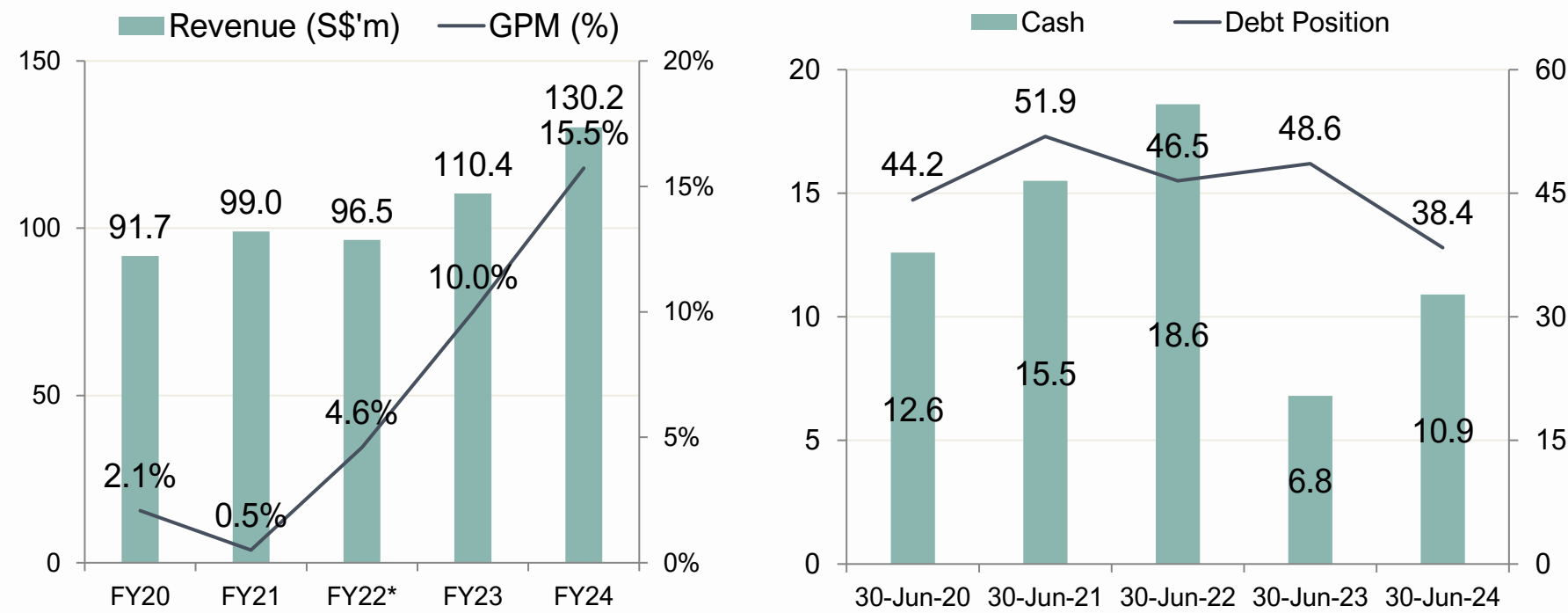
EPS
0.91¢
FY2023: 0.28¢

ROE
15.2%
FY2023: 5.4%

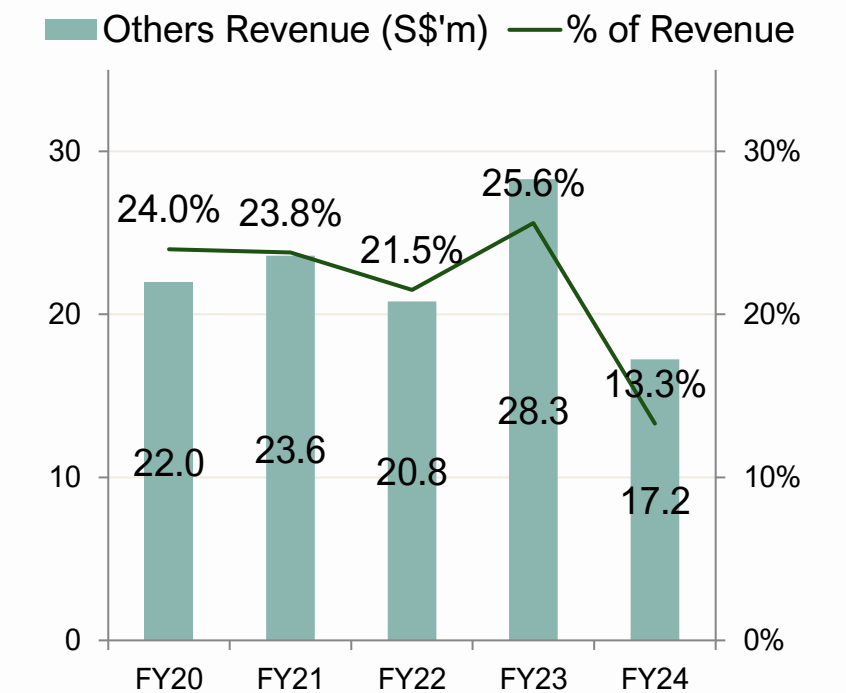
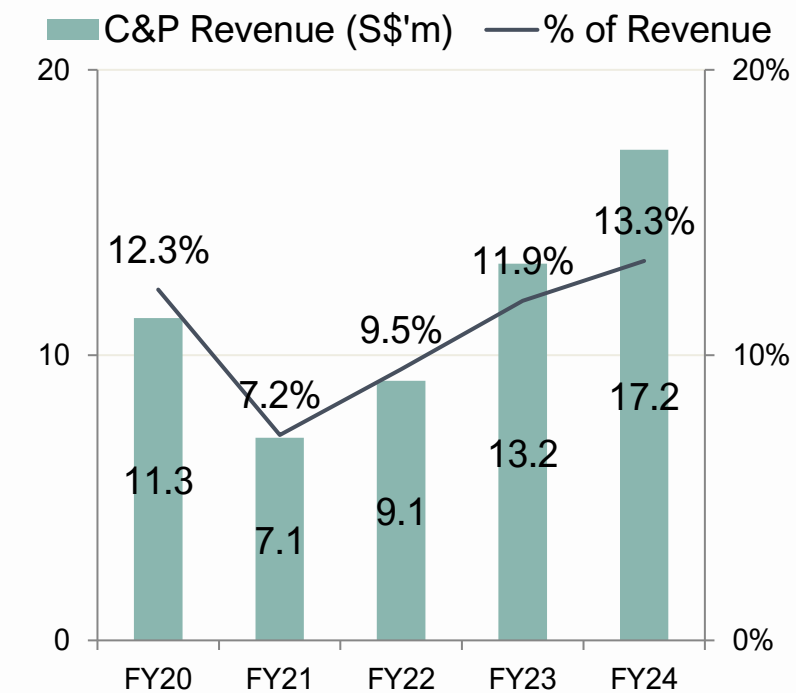
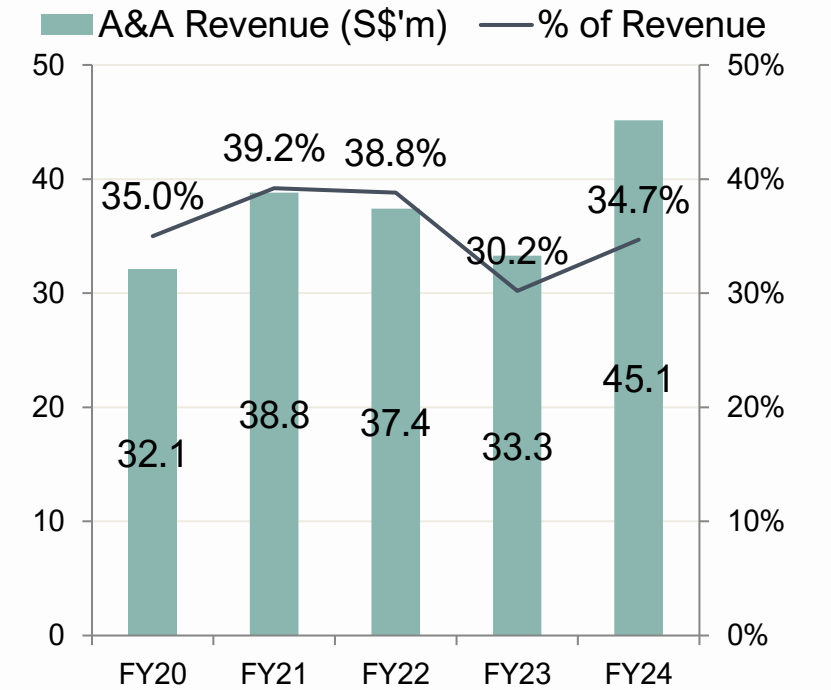
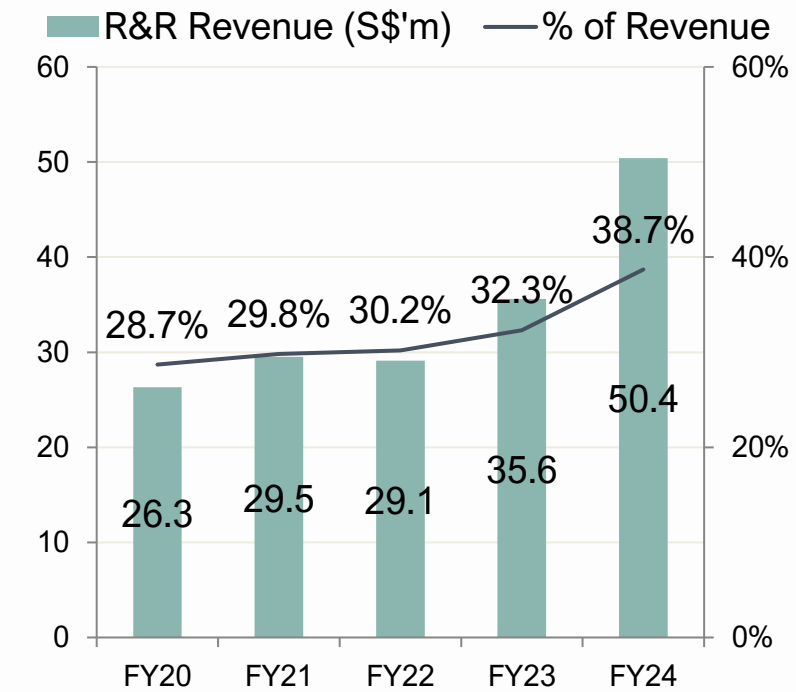
* Net profit attributable to equity holders of the Company

5-Year Financial Overview

KEY FINANCIAL METRICS



SEGMENTAL REVENUE



S\$m	FY20	FY21	FY22	FY23	FY24
NPAT*	(22.1)	(9.8)	(4.3)	1.4	6.5
Gross Profit	1.9	0.5	4.4	11.1	20.2
EBITDA*	(15.3)	(4.0)	1.4	7.0	15.1
Int. Coverage Ratio (x)	n/m	n/m	n/m	1.2	4.1
Times (x)	30-Jun-20	30-Jun-21	30-Jun-22	30-Jun-23	30-Jun-24
Gearing Ratio	0.9	1.6	2.2	1.9	0.9
Debt Ratio	0.4	0.4	0.5	0.5	0.4
Quick Ratio	1.2	0.9	1.1	1.3	1.5

- FY22 figures have been restated
- n/m: Not meaningful
- NPAT and EBITDA exclude impairment loss on receivables and contract assets; including non-recurring items from other income

Income Statement: Expenses



Key Expenses (S\$'m)

	FY2024	FY2023	Chg (%)
Cost of sales	(110.0)	(99.3)	10.7
Marketing and distribution expenses	(0.7)	(0.8)	(10.0)
General and administrative expenses	(13.2)	(11.3)	16.8
Other operating expenses (OOE)	(0.5)	(0.2)	93.4
Finance costs	(2.5)	(2.3)	8.6
Impairment loss on receivables and contract assets	(1.7)	(0.6)	N/M

Any variances in percentage changes are due to rounding

- **↑** OOE: Share-based compensations
- **↑** impairment loss: Increase in credit risk and changes in market conditions which affected the value of contract assets and receivables
- Other income **↑** 24.0% to \$5.7 m: One-off gain from the disposal of subsidiary and fair value gain on investment in FY2024

Key Financial Highlights



Profitability Ratios

Basic Earnings Per Share (cents)*

Return On Assets (%)

Return On Equity (%)

Balance Sheet

Current assets

Cash and bank balances

Net current assets

Net assets

Cash Flows

Operating cash flows before working capital changes

Cash generated from / (used in) operations

Net cash generated from / (used in) operating activities

Net cash used in investing activities

Net cash generated from / (used in) financing activities

FY2024

FY2023

0.91

0.28

6.0

1.4

15.2

5.4

FY2024

FY2023

81.0

73.0

10.9

6.8

28.4

14.7

42.9

25.7

FY2024

FY2023

10.1

4.7

6.0

(10.1)

6.2

(10.0)

(0.9)

(1.1)

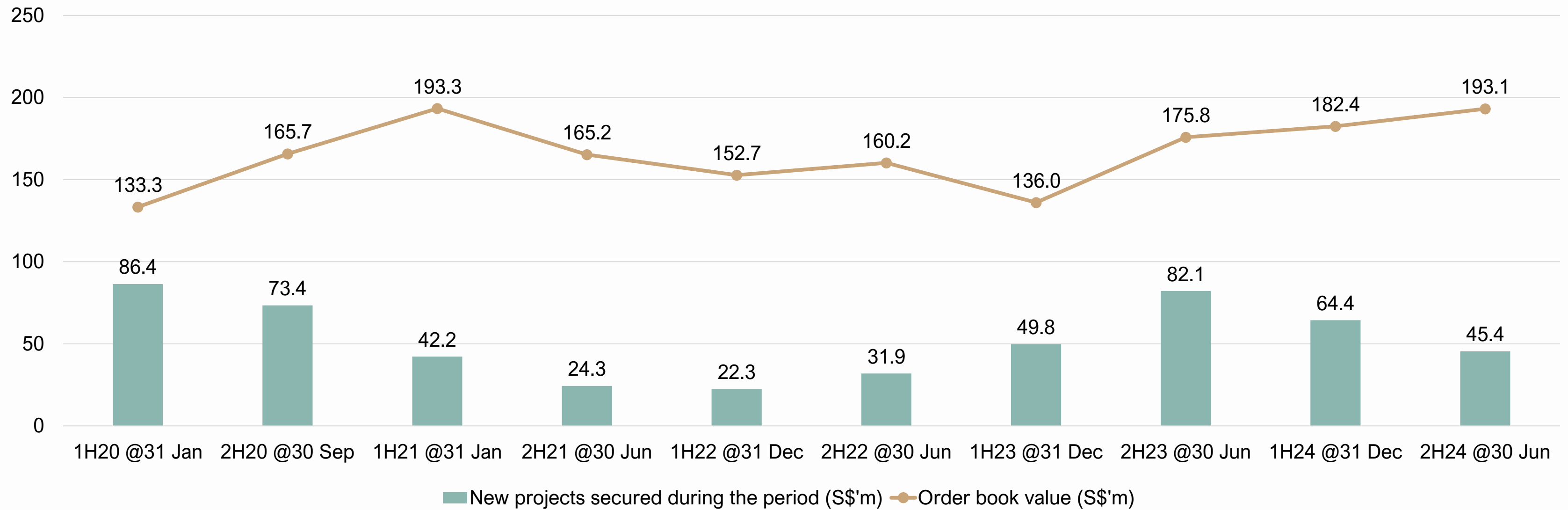
0.5

(3.2)

*Basic EPS based on 719,181,550 ordinary shares in FY2024 and 497,830,000 ordinary shares in FY2023.

Order Book

To be progressively delivered by FY2027





04 OUTLOOK AND STRATEGY

Public Construction: Steady Demand Growth Till 2028



CONSTRUCTION DEMAND (VALUE OF CONTRACTS AWARDED) (BCA, 15 Jan 2024)

Year (S\$b)	Public	Private	Total
2023 (p)	19.5	14.3	33.8
2024 (f)	18 - 21	14 - 17	32 - 38
2025 to 2028 (f) (per year)	19 - 23	12 - 15	31 - 38

- 2024: Steady demand with total construction demand to be between S\$32-S\$38 bil; 55% to be driven by Public Sector demand (S\$18-S\$21 bil)
- 2025 to 2028: Continued steady demand improvement to reach between S\$31-S\$38 bil per year; public sector continue to lead and contribute S\$19-\$23 bil per year, with 70% from building projects and 30% from civil engineering works

SINGAPORE'S GDP GROWTH (MTI, 13 Aug 2024)

YoY % Change	2Q23	3Q23	4Q23	2023	1Q24	2Q24
Total	0.5	1.0	2.2	1.1	3.0	2.9
Construction	6.4	3.7	5.2	5.2	4.1	3.8
QoQ % Change	2Q23	3Q23	4Q23	2023	1Q24	2Q24
Total	0.4	1.0	1.2	1.1	0.4	0.4
Construction	2.6	1.9	2.0	5.2	(1.9)	1.8

- GDP growth forecast for 2024 upgraded to “2.0 to 3.0%” from “1.0 to 3.0%”
- Construction sector grew 3.8% yoy in 2Q24 from an increase in public and private sector construction output

GOVERNMENT INITIATIVES FOR THE BUILT ENVIRONMENT



Town Councils

- Every 5 years: Repaint external walls with mandatory façade checks for all blocks (R&R project cycle)



HDB

- Every 12-15 years: NRP
- Expanded HIP & HIP II
- Newly introduced FEP & ROH



NEA

- HUP



National Parks & BCA

- Development, maintenance & upgrading of parks
- Every 7 years: Façade checks for structures over 13-m in height and over 20 years old

HDB = Housing & Development Board of Singapore
 NEA = National Environment Agency of Singapore
 BTO = Built-to-Order
 FEP = Façade Enhancement Programme
 ROH = Remaking our Heartlands



Public Construction: Steady Demand Growth Till 2028



Lianhe Zaobao, 22 Aug 2024

分析：国庆群众大会上宣布

新政策或影响建筑医疗股和房地产经纪

分析师在报告中指出，国庆群众大会宣布的一系列基础设施和公共住房项目，预示未来五年新加坡建筑活动将持续强劲，并可能带动一些建筑材料公司的股价。

李娅宁 报道
liyanning@sph.com.sg

黄循财总理在他个人的首场国庆群众大会演说中提到了诸多与家庭、住房、城市规划相关的政策，如预购组屋等待时间缩短、父母共用带薪产假增加等。分析师认为，这些政策或给建筑、房地产经纪、医疗等股票板块带来潜在影响。

中国银河证券新加坡研究副主管骆敏仪在一份报告中写道，国庆群众大会宣布的一系列基础设施和公共住房项目，预示未来五年新加坡建筑活动将持续强劲。

住房方面，总理宣布将加快

组屋供应，通过提前建屋，使预购组屋项目的等候时间从四年缩短至三年以下。

基础设施方面，在新的“活力加冷总蓝图”（Kallang Alive Masterplan）下，加冷将建设一个能容纳1万8000人的室内体育馆，用于举办顶级赛事。此外，加冷盆地、滨海湾和滨海水道三个水体连接起来，将形成我国市中心的濒水区，未来将推出新的休闲、体育和住宅发展项目。

骆敏仪认为，这可能带动一些建筑材料公司的股价，如BRC亚洲、丰隆亚洲和泛联集团。中国银河国际证券给予这些股票

“增持”评级。

新加坡兴业银行股票研究副总裁维杰（Vijay Natarajan）接受《联合早报》访问时也说，组屋建设，将对建筑公司的订单产生积极影响。潜在受益者包括BRC亚洲、泛联集团和ISO Team。

不过，有观点认为，组屋供应增加，可能会使另一些股票面临挑战。星展集团研究的分析师指出，国家发展部承诺在2021年到2025年间推出10万个新组屋单位，并预计到今年累计交付8万个单位。2024年和2025年分别有2万5000个和2万个单位竣工，这会导致租房市场继续放缓，从而为房地产经纪公司，如博纳产业和APAC产业带来负面影响。

“我们更青睐博纳产业，因

为它的市场份额比APAC产业多出大约35%。”

维杰则认为，组屋市场的政策主要集中于保证可负担性，不太会影响个股。“建屋发展局房贷的贷款与估值比率（LTV）上限降低至75%，可能会对高端转售组屋的购买者带来轻微影响，但整体上对私宅市场和上市房地产公司的影响微乎其微。”

除了房地产政策，旨在刺激生育率的增加父母共用产假政策，也可能对个别股票板块产生潜在影响。

根据总理宣布的新版父母共用产假计划，2025年4月起迎接公民新生儿的在职父母，可在新计划下共用六周产假；2026年4月起，父母共用产假将增至10周。

星展银行分析师指出，医疗

国庆群众大会新政策对个股影响

潜在受益股票	类别	潜在受损股票	类别
BRC亚洲	建筑	博纳产业	房地产经纪
丰隆亚洲	建筑	APAC产业	房地产经纪
泛联集团	建筑	新航	航空
ISO Team	建筑	云顶新加坡	休闲娱乐
IHH医疗保健	医疗	-	-
莱佛士医疗	医疗	-	-

资料来源 / 星展集团研究、中国银河国际证券、兴业银行研究 | 图表 / 陈锐勤

服务提供商如IHH医疗保健和莱佛士医疗集团可能会因出生率上升略有受益。

值得一提的是，分析师认为，由于共用产假分两阶段增加，如果一些夫妇因此推迟明年的生育计划，可能在2025年对医

疗板块有负面影响，积极影响要到2026年起才会完全显现。

同时，星展银行分析师也担心，产假增加，可能会为企业带来更大的人员配置挑战，尤其是那些员工本来就相对较少的服务型公司，如新航和云顶新加坡。

Excerpts:




- “Slew of infrastructure and public housing projects announced at the National Day Rally provide evidence that construction activity in Singapore will remain strong over the next five years.”
- “Increase in HDB supply and the construction of Kallang and the Marina will have a positive impact on construction companies' orders. Potential beneficiaries include BRC Asia, Pan-United Group and ISO Team.”





SG Green Plan 2030

A whole-of-nation movement to advance Singapore's national agenda on sustainable development

	<p>CITY IN NATURE: LUSH 3.0</p>	<p>By 2030</p> <ul style="list-style-type: none"> • Increase nature parks' land area by over 50% from 2020 baseline • Every household within a 10-minute walk from a park <p>By 2035</p> <ul style="list-style-type: none"> • Add 1000 ha of green spaces
	<p>ENERGY RESET: GREEN ENERGY</p>	<p>By 2030</p> <ul style="list-style-type: none"> • Increase solar energy to at least 2 GWp to meet around 3% of our 2030 projected electricity demand or for around 350,000 households
	<p>RESILIENT FUTURE: KEEPING SINGAPORE COOL</p>	<ul style="list-style-type: none"> • Mitigate the Urban Heat Island (UHI) effect • Piloting the use of cool materials and reducing human-generated heat



Source: www.greenplan.gov.sg (Jan 2024)

Other Public Sector Programmes



11km of cycling paths between Choa Chu Kang and Yew Tee completed

channelnewsasia.com/singapore/choa-chu-kang-yew-tee-cycle-paths-completed-4566576

Best News Website or Mobile Service

WAN-IFRA Digital Media Awards Worldwide 2022

Edition Menu

Singapore

Residents can now use cycle paths to access amenities across the two towns, such as Chua Chu Kang Community Club, Lot One, Teck Whye Shopping Centre, Sunshine Place, and Yew Tee Point.



Channelnewsasia, 25 Aug 2024

Islandwide Cycling Programme:

- Expansion of cycling path networks to all towns – with a target of about 1,300 km of cycling paths by 2030
- All HDB towns and estates will have some cycling paths by the end of 2024.
- 11km in Choa Chu Kang & Yew Tee was recently completed

Upgrading for 26 HDB precincts with higher proportion of seniors to support active ageing

channelnewsasia.com/singapore/silver-upgrading-programme-upgrade-hdb-precincts-seniors-active-ageing-4566351

Singapore

Enhancements under the new Silver Upgrading Programme could include facilities such as therapeutic gardens, fitness trails and rest areas along pathways.



Artist Impression of a therapeutic garden at Chong Boon Heights with sensory planting and spaces for contemplative activities. (Image: A D Lab Pte Ltd)

Channelnewsasia, 25 Aug 2024

New! Silver Upgrading Programme:

- To cover 26 areas across the island
- Expected to be completed by 2029.
- Possible enhancements include facilities such as therapeutic gardens, fitness trails, rest areas along pathways, dementia-friendly elements and playgrounds that combine play areas for children and fitness equipment for adults and seniors



Strengthening our Core

1 Vision

Singapore's leading player in the building maintenance, estate upgrading and renewable solutions space with a green plus sustainable focus

2 Goal

- To aim for consistent revenue growth of at least 10% year-on-year
- To consistently grow our profitability

3 Strategy

- Robotisation and AI-driven applications
- Build-tech opportunities
- Digitalisation to streamline processes and costs
- BUs collaborations to serve customers better
- Build order book
- Protect gross margins: (a) focus on deliverables (b) enhance procurement strategies (c) transfer higher costs to tender price
- Enhance shareholder returns

4 Foundation

- Strong order book visibility till FY2027
- Recovery in gross profit margins
- Stabilising supply of migrant workers
- Normalising construction sector



Investment Merits

Track Record

- An industry leader with a 20+ year track record
- Sustainable business: 70% of business from Singapore government bodies
- Largest market share in Town Council segment projects

Network

- Established stakeholder relationships (TOC and Nippon Paint Singapore)
- Exclusive applicator for Nippon Paint Singapore and SKK (S) Pte Ltd

Capabilities

- Multi-disciplinary services
- A green solutions provider
- Turnkey capabilities

Team

- An experienced and professional management team
- Industry leading operational team at the forefront of evolving market trends

Future

- Construction recovery
- Strong order book
- BU synergies
- Minimum dividend payout: 25% of net profit
- SG Green Plan 2030
- Growing capabilities in untapped markets

Thank You!

Q&A

www.isoteam.com.sg
ir@iso-team.com

Creating, Enhancing and Sustaining Singapore's Built Environment

With our Green Focus and Reputation for Quality, Safety and Speed

